Mad. II-27—[illegible]

Revenue (1948) Department.

SERIES

G.O. No. 927

Dated 24-4-48

[Despatch Abstract.]

Tax - Madras Entertainments Tax Act, 1939 - Circus performances - Levy of lower rates tax - Orders passed.

GOVERNMENT OF MADRAS.
Abstract.

Tax - The Madras Entertainments Tax Act, 1939 - Circus performances - Levy of lower rates tax - Orders passed.

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REVENUE DEPARTMENT

G.O. Ms. Press. No. 935. Dated the 24th April 1948.

Read:-

Memorandum from the Representatives of certain Circus Companies, dated 17th January 1948.

Order:-

Under section 4(1) of the Madras Entertainments Tax Act, 1939, His Excellency the Governor of Madras directs that the rates of entertainments tax to be levied in respect of payments for admission to a 'circus' s how shall be the same as those specified in the second proviso to section 4(1) of the Madras Entertainments Tax Act, 1939, as amended by Madras Act XXVII of 1947.

(By Order of His Excellency the Governor).

V.K. Rao,
Deputy Secretary to Government.

To

The Board of Revenue.
The Deputy Commissioners of Commercial Taxes through the Board of Revenue.
All the Commercial Tax Officers with copies to Deputy and Assistant Commercial Tax Officers.
The Director of Information and Publicity.
Copy to Mr. M.M.Oonnithan, Circus Manager, No. 11, Kandappachari Street, Vepery, Madras.

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/True copy/

Office Assistant,
Madras Record Office.
4/1/54.

REVENUE DEPARTMENT

Please see the minutes of Hon'ble Minister (Finance) at page 4 ante. Under section 4(1) of the Madras Entertainments Tax Act, 1939, tax shall be levied on payment for admission to an entertainment, at the rates specified in that clause. Under proviso 2 to the same section, in the case of dramatic and music performances, etc or in the case of any exhibition specified by the Provincial Government, by general or special order, tax shall be levided at the concessional rates mentioned in the proviso. The request in the memorandum in the c.f. is that circuses may be brought within the scope of the proviso 2 to section 4(1) of the Madras Entertainments Tax Act, 1939. Hon'ble Minister (Finance) has minuted that a general order may be issued, making the proprietors of the Circus Companies pay tax at the pre-amendment level. The rates in force prior to 1.1.1948 were as follows:-

Where the payment, excluding the amount of the tax:-

	Amount of tax.
(1). is not more than two annas.	three pies.
(2) is more than 2 annas but less than 6 annas.	nine pies.
(3) is 6 annas or more but is less than 12 annas.	1 annas.6 pies.
(4) is 12 annas or more but is less than 1 rupee eight annas.	3 annas.
(5) is one rupee eight or more but is less than 2 rupees eight annas.	6 annas.
(6) is two rupees eight annas or more but is less than Rs. 3½.	12 annas.
(7) is Rs. 3½ or more but is less than Rs. 4½	Rs. 1-2-0.
(8) is Rs. 4½ or more but is less than Rs. 6½.	Rs. 1-8-0.
(9) is Rs. 6½ or more but is less than Rs. 9½.	Rs. 2-4-0.
(10). is Rs. 9½ or more but is less than Rs. 10/-.	Rs. 3-0-0.
(11) is Rs. 10 or more.	Rs. 3/- in respect of the first Rs. 10/- and Rs. 3/- more for every 10 rupees or portions thereof in excess of the first 10 rupees.

Under section 8(2) of the Act, the Government have power to exempt an entertainment or class of entertainment completely from tax. Under the second proviso to section 4(1), the Government have power to specify by a general or special order that a particular class of exhibition is eligible for preferential rates of tax. For instance, the Government may order that a circus may be treated as eligible for the preferential rates. But the Government have no power to levy tax at rates other than those prescribed under section 4(1) of the Act. If Circuses are made to pay tax at the rates which existed before 1.1.1948 section 4(1) of the Act has to be suitably amended. By an executive order, circuses cannot, it seems, be made to pay tax at the rates which were in force before 1.1.1948.

Legal may see for remarks for circulation.

The rates prevalent before 1.1.48 are more or less the same as the rates mentioned in

the second proviso to section 4(1) of the Entertainments Tax Act as amended subsequently. Therefore instead of making mention of old rates, it may be ordered that all circus companies should be taxed in accordance with the rates prescribed in the proviso above mentioned. This can be done by means of an executive order of the Government.

There is presumably no objection to circuses being treated in this way - please see Legal Department note at page 3 supra.

Legal may see before circulation.

x x x
25.3.1948.

The Government have power to adopt either of the three following courses:-

(i) exempt circus performances altogether from entertainment tax; or

(ii) Notify circus performances to be eligible to the concessional rates of tax prescribed in the second proviso to section 4(1) of the Act as amended recently; or

(iii) collect tax at the rate mentioned in section 4(1) of the Act (as amended recently). It does not appear possible under the Act as it stands, for the Government to say that, in respect of any particular entertainment or class of entertainments, the tax shall be levied at the rates in force prior to 1.1.1948.

2. The rates in force prior to the 1st January 1948 will bring in more revenue than the concessional rates prescribed in the second proviso to section 4(1). But in view of the Legal position, it may be suggested to Hon'ble Minister (Finance) that, if he is inclined to give any concession, the rates in the second proviso to section 4(1) may be adopted. The additional loss involved in these rates being adopted instead of the rates in force prior to 1.1.1948 cannot be much as circus performances are few and far between.

3. Legal may be requested to confirm that the position set forth in para 1 above is correct.

V.K. Rao, (D.S.).
31.3.1948.

LEGAL DEPARTMENT

The position set out in para 1 above is

correct.

x x x
1.4.1948.

x x x
2.4.1948.

REVENUE DEPARTMENT

Please see Hon'ble Minister's minutes at page 4 ante and the notes at pages 5-7 ante. The file may be circulated to Hon'ble Minister (Finance) for orders on 'A' in Deputy Secretary's note at page 7 ante.

Finance may see before circulation.

x x x
6.4.

V.K. Rao,
7.4.4

FINANCE DEPARTMENT

(Previous Finance note on page 3 above).

The further notes and orders in circulation at pages 4-8 above may be perused and the case returned to Rev

REVENUE DEPARTMENT

The minutes of Hon'ble Minister (Finance) at page 4 ante and the subsequent notes on pages 5-8 above may be perused.

2. The file may be circulated to Hon'ble Minister (Finance) for orders on 'A' in Deputy Secretary's note at page 7 ante.

x x x
15.4.

V.K.Rao,
15.4.

1. (Finance).

That may be done.

B.G.R.
18.4.

Please see the notes and orders of Hon'ble Minister (Finance) at pages 7-8 above. A draft order is submitt for approval.

x x x
22.4.
V.K.Rao,
22.4.

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/True copy/ Office Assistant, Madras Record Office.